



## **ORDINANCE 576**

**An ordinance amending Chapter 204 (Taxation) of the  
Code of the Town of Elsmere.**

**Sponsored by: 6th District Councilwoman Deborah Norkavage &  
Mayor Steve Burg**

**First and Second Reading:** March 13, 2014 Council Meeting

**Results:        Passed        6 In Favor, 1 Opposed**

**Third and Final Reading:** April 10, 2014 Council Meeting

**Results:        Passed        5 In Favor, 0 Opposed with 2 Absent**

# ORDINANCE 576

## An ordinance amending Chapter 204 (Taxation) of the Code of the Town of Elsmere.

**WHEREAS**, Chapter 204, Article III of the Code of the Town of Elsmere allows a "Senior Citizen and Disabled Tax Exemption" to property owners who meet the requirements of that section of the Town Code; and

**WHEREAS**, The Mayor and Council have found that some of those who qualify for the "Tax Exemption" still find it difficult and in some cases impossible to live on their own without sometimes sacrificing life's basic needs such as food and medical attention due to their limited and fixed income; and

**WHEREAS**, The Mayor and Council wish to provide additional assistance to those who are most affected by their limited and fixed incomes.

### **NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF ELSMERE, THE FOLLOWING:**

1. That Chapter 204 of the Code of the Town of Elsmere is hereby amended by adding a new "Article VI" entitled "Base Tax Credit" to read as follows.

#### Article VI Base Tax Credit

204-27. Any person(s) who qualifies to receive the Town's "Senior Citizen and Disabled Tax Exemption" and who meets additional qualifications shall also be entitled to receive a Base Tax Credit which will be a reduction in the amount of the base tax those who qualify for the credit are charged.

204-28 The amount of a Base Tax Credit shall be as follows.

1. Those with a modified income which is between \$0.00 and \$20,000.00 will receive a \$215.00 reduction in the Town's Base Tax Rate which shall be known as a Base Tax Credit.
2. Those with a modified income which is between \$20,000.01 and \$38,000.00 will receive a \$107.50 reduction in the Town's Base Tax Rate which shall be known as a Base Tax Credit
3. Those with a modified income which is more than \$38,000.00 will not be eligible to receive the Base Tax Credit.

204-29                      Determining Modified Income.

Modified income for the purpose of qualifying for the Base Tax Credit shall be determined by considering all income from whatever source derived, including but not limited to realized capital gains and, in their entirety, pension, annuity and retirement benefits, as defined herein, for any tax year for which an exemption is claimed, "income" shall be determined to be equal in amount to the income received during the calendar year or the taxpayer's fiscal year ended immediately preceding December 31 of the pretax year, but no taxpayer shall use a fiscal-year basis unless he so elects to do so and files his federal income tax return on such basis.

204-30                      Application.

Application for the Base Tax Credit shall be made in addition to the applicant's application for the Town's "Senior Citizen and Disabled Tax Exemption" and shall be filed with the Town Manager of the Town of Elsmere on or before April 15 of the tax year.

204-31 Continuance of Credit.

Application for the Base Tax Credit must be made annually so that income may be confirmed.

March 13, 2014  
First and Second Reading

April 10, 2014  
Third and Final Reading

Steven E. Burg, Mayor

Joann I. Personti, Secretary

Approved as to form:

**Town Solicitor**

## **SYNOPSIS ORDINANCE 576**

This Ordinance establishes a new "Base Tax Credit" which is intended to assist those who qualify for the "Senior/ Disabled Tax Exemption" but still find it difficult to live on their own based upon their limited and fixed income, by providing those individuals who have a true income which is than \$38,000.00 an additional discount of up to \$215.00 annually.

Fiscal Impact:           Based upon the information currently on file in the Finance Department and this year's property tax income, passage of this ordinance has the potential to reduce the amount of property tax income by as much as \$37,000.00.